

State of Washington
 Department of Ecology
 Office Of Columbia River
**REPORT OF EXAMINATION
 FOR WATER RIGHT APPLICATION**

File NR G4-35323
 WR Doc ID 4682926

PRIORITY DATE 5/21/2010	APPLICATION NUMBER G4-35323
-----------------------------------	---------------------------------------

MAILING ADDRESS
 GBI Holding Inc
 c/o Bill Terhaar
 PO Box 598
 Wenatchee, WA 98807-0598

Remarks: This Permit is mitigated by G4-GWC7601-a@6

Quantity Authorized for Withdrawal or Diversion

WITHDRAWAL RATE 425	UNITS gpm	ANNUAL QUANTITY (AF/YR) 161
-------------------------------	---------------------	---------------------------------------

Purpose

PURPOSE	WITHDRAWAL RATE		UNITS	ANNUAL QUANTITY (AF/YR)		PERIOD OF USE (mm/dd)
	ADDITIVE	NON-ADDITIVE		ADDITIVE	NON-ADDITIVE	
Municipal	425		gpm	161		01/01 - 12/31

Source Location

COUNTY Douglas	WATERBODY Groundwater	TRIBUTARY TO Columbia River	WATER RESOURCE INVENTORY AREA 44-Moses Coulee
--------------------------	---------------------------------	---------------------------------------	---

SOURCE FACILITY/DEVICE	PARCEL	WELL TAG	TWP	RNG	SEC	QQ Q	LATITUDE	LONGITUDE
Well	510-00000-000	BCF-066	21N	22E.W.M.	09	SW NE		

Datum: NAD83

Place of Use (See Attached Map and Attached)

PARCELS (NOT LISTED FOR SERVICE AREAS)
 510-000-000-00 & 510-020-013-00

LEGAL DESCRIPTION OF AUTHORIZED PLACE OF USE

That portion of the E ½ of Section 9 lying between the Columbia River and Highway 28, T. 21N., R. 22 E.W.M., Douglas County

Proposed Works

A well, a water treatment system, a storage reservoir, and distribution pipelines to support a Group A public water system.

Development Schedule

BEGIN PROJECT May 1, 2017	COMPLETE PROJECT December 31, 2023	PUT WATER TO FULL USE December 31, 2024
-------------------------------------	--	---

Measurement of Water Use

How often must water use be measured?	Weekly
How often must water use data be reported to Ecology?	Annually on January 31 st of the following year
What volume should be reported?	Total Annual Volume (acre-feet)
What rate should be reported?	Annual Maximum Rate of Withdrawal (gpm)

Provisions

General Provisions

This permit is valid only if it is mitigated by an equal amount of water held in the Trust Water Right Program under Authorization No. CS4-GWC7601-A@1.

Wells, Well Logs and Well Construction Standards

All wells constructed in the state shall meet the construction requirements of Chapter 173-160 WAC titled "Minimum Standards for the Construction and Maintenance of Wells" and Chapter 18.104 RCW titled "Water Well Construction". Any well which is unusable, abandoned, or whose use has been permanently discontinued, or which is in such disrepair that its continued use is impractical or is an environmental, safety or public health hazard shall be decommissioned.

All wells shall be tagged with a Department of Ecology unique well identification number. If you have an existing well and it does not have a tag, please contact the well-drilling coordinator at the regional Department of Ecology office issuing this decision. This tag shall remain attached to the well. All water measuring reports submitted to Ecology must reference this tag number.

Installation and maintenance of an access port as described in WAC 173-160- 291(3) is required.

Measurements, Monitoring, Metering and Reporting

An approved measuring device must be installed and maintained for each of the sources identified by this water right in accordance with the rule "Requirements for Measuring and Reporting Water Use", Chapter 173-173 WAC, which describes the requirements for data accuracy, device installation and operation, and information reporting.

Recorded water use data shall be submitted via the Internet. To set up an Internet reporting account, contact the Central Regional Office. If you do not have Internet access, you can still submit hard copies by contacting the Central Regional Office for forms to submit your water use data.

Department of Health Requirements

Prior to any new construction or alterations of a public water supply system, the State Board of Health rules require public water supply owners to obtain written approval from the Office of Drinking Water of the Washington State Department of Health. Please contact the Office of Drinking Water prior to beginning (or modifying) your project at DOH/Division of Environmental Health, 16201 E. Indiana Avenue, Suite 1500, Spokane Valley, WA 99216, (509) 329-2100.

Schedule and Inspections

Department of Ecology personnel, upon presentation of proper credentials, shall have access at reasonable times, to the project location, and to inspect at reasonable times, records of water use, wells, diversions, measuring devices and associated distribution systems for compliance with water law.

Proof of Appropriation

The water right holder shall file the notice of Proof of Appropriation of water (under which the certificate of water right is issued) when the permanent distribution system has been constructed and

the quantity of water required by the project has been put to full beneficial use. The certificate will reflect the extent of the project perfected within the limitations of the permit. Elements of a proof inspection may include, as appropriate, the source(s), system instantaneous capacity, beneficial use(s), annual quantity, place of use, and satisfaction of provisions.

Findings of Facts

Upon reviewing the investigator’s report, I find all facts, relevant and material to the subject application, have been thoroughly investigated. Furthermore, I concur with the investigator that water is available from the source in question; that there will be no impairment of existing rights; that the purpose(s) of use are beneficial; and that there will be no detriment to the public interest.

Therefore, I ORDER approval of Application No. G4-35323 and that a permit be issued subject to existing rights and the provisions specified above.

Your Right To Appeal

You have a right to appeal this Order to the Pollution Control Hearings Board (PCHB) within 30 days of the date of receipt of this Order. The appeal process is governed by Chapter 43.21B RCW and Chapter 371-08 WAC. “Date of receipt” is defined in RCW 43.21B.001(2).

To appeal you must do the following within 30 days of the date of receipt of the Order.

File your appeal and a copy of this Order with the PCHB (see addresses below). Filing means actual receipt by the PCHB during regular business hours.

- Serve a copy of your appeal and this Order on Ecology in paper form - by mail or in person. (See addresses below.) E-mail is not accepted.
- You must also comply with other applicable requirements in Chapter 43.21B RCW and Chapter 371-08 WAC.

Street Addresses	Mailing Addresses
<p>Department of Ecology Attn: Appeals Processing Desk 300 Desmond Drive SE Lacey, WA 98503</p>	<p>Department of Ecology Attn: Appeals Processing Desk PO Box 47608 Olympia, WA 98504-7608</p>
<p>Pollution Control Hearings Board 1111 Israel RD SW, Ste 301 Tumwater, WA 98501</p>	<p>Pollution Control Hearings Board PO Box 40903 Olympia, WA 98504-0903</p>

For additional information visit the Environmental Hearings Office Website: <http://www.eho.wa.gov>. To find laws and agency rules visit the Washington State Legislature Website: <http://www1.leg.wa.gov/CodeReviser>.

Signed at Yakima, Washington, this _____ day of _____ 2013.

Mark C. Schuppe, Operations Manager
Office of Columbia River

BACKGROUND

Description and Purpose of Proposed Application

The Washington State Department of Ecology (Ecology) accepted Water Right Application Number G4-35323 submitted by GBI Holding Co. on May 21, 2010. The proposed water use is associated with the construction of 200 homes and associated domestic irrigation. Lands covered by the proposed place of use (POU) and point of withdrawal (POW) are owned by the applicant, GBI Holding Co. Attributes of the application are presented below in Table 1.

A Preliminary Permit was issued to GBI Holding Co. on November 4, 2011, granting permission to drill a well and take water level measurements. In March, 2012, Tumwater Drilling & Pump Inc. of Leavenworth, WA, drilled and completed a well under the Preliminary Permit. Data collected were submitted to Ecology.

Table 1: Application Summary

Name	GBI Holding Co
Priority Date	5/21/2010
Instantaneous Rate	425 gallons per minute (gpm)
Annual Quantity	161 acre-feet
Purpose(s) of Use	Municipal and associated domestic irrigation
Period of Use	Year around
Place(s) of Use	Section 9, T. 21N., R 22E.W.M. Parcel No.'s: 510-000-000-00 & 510-020-013-00 All within Douglas County

Table 2: Proposed Source of Withdrawal

Source Name	Parcel	Well Tag	Twp	Rng	Sec	QQ Q	Latitude	Longitude
Well	51000000000	BCF-066	21N	22E.W.M.	09	SW NE		

Legal Requirements for Approval of Appropriation of Water

Chapters 90.03 and 90.44 RCW authorize the appropriation of public water for beneficial use and describe the process for obtaining water rights. Laws governing the water right permitting process are contained in RCW 90.03.250 through 90.03.340 and RCW 90.44.050. In accordance with RCW 90.03.290, determinations must be made on the following four criteria in order for an application for a water right to be approved:

- Water must be available.
- The water use must not impair existing water right users.
- The water use must be beneficial.
- The water use must not be detrimental to the public interest.

Public Notice

RCW 90.03.280 requires that notice of a water right application be published once a week, for two consecutive weeks, in a newspaper of general circulation in the county or counties where the water is to

be stored, diverted and used. Notice of this application was published in the Douglas County Empire Press on March 15, 2012 and March 22, 2012.

Consultation with the Washington Department of Fish and Wildlife

Ecology must give notice to the Washington Department of Fish and Wildlife (WDFW) of applications to divert, withdraw or store water (RCW 77.57.020). On February 22, 2012, Ecology gave notice of this application to the WDFW and on March 23, 2012 received a comment from WDFW that stated WDFW does not oppose Ecology's processing of Application No. G4-35323.

Consultation under WAC 173-563-020

Under WAC 173-563-020(4), consultation is required before issuance of new Columbia River water right permits:

The instream flows established and implemented by this chapter for instream and out-of-stream uses, and the average weekly flows applied by this chapter to out-of-stream uses do not apply to any application for water from the main stem Columbia River on which a decision is made by the department of ecology on or after July 27, 1997. Any water right application considered for approval or denial after that date will be evaluated for possible impacts on fish and existing water rights. The department will consult with appropriate local, state, and federal agencies and Indian tribes in making this evaluation. Any permit which is then approved for the use of such waters will be, if deemed necessary, subjected to instream flow protection or mitigation conditions determined on a case-by-case basis through the evaluation conducted with the agencies and tribes.

On February 22, 2012, Ecology notified local, state, and federal agencies and Indian tribes requesting consultation and comments on issuing decisions for three water budget neutral projects including the subject application. No comments were received concerning the use of water for GBI's project.

State Environmental Policy Act (SEPA)

Project specific SEPA compliance

A water right application is subject to a SEPA threshold determination (i.e. an evaluation whether there are likely to be significant adverse environmental impacts) if any one of the following conditions are met.

- It is a surface water right application for more than 1 cubic foot per second (cfs). If the project is for agricultural irrigation, the threshold is increased to 50 cfs, so long as the project will not receive public subsidies;
- It is a groundwater right application for more than 2,250 gpm;
- It is an application combined with other water right applications for the same project and exceeds the amounts above;
- It is a part of a larger proposal that is subject to SEPA for other reasons (e.g. the need to obtain other permits that are not exempt from SEPA);
- It is part of a series of exempt actions that, considered together, trigger the need to do a threshold determination, as defined under WAC 197-11-305.

GBI's request for a new water right is not subject to a SEPA threshold determination even though it is part of a larger proposal that may be subject to SEPA for other reasons. The larger proposal is not sufficiently defined to fully disclose the environmental impacts that may result from project implementation. Although the SEPA rules stress that the SEPA process be integrated with agency

activities at the earliest possible time, SEPA review should not occur until the principal features of a proposal and its environmental impacts can be reasonably identified. During a phone conversation on March 25, 2013, Curtis Liliquist from Douglas County Planning stated that there are no county permits for the project that require SEPA.

INVESTIGATION

Water Availability

For water to be available for appropriation, it must be both legally and physically available. The applicant asserts that water use under G4-35323 would be water budget neutral since based on their proposed mitigation and their ability to pump groundwater that is connected to the Columbia River.

Legal Availability

If approved, Application No. G4-35323 will be mitigated by water held instream. A portion of Groundwater Certificate No. 7601-A was transferred into the Trust Water Rights Program (TWRP) under Change Application No. CG4-GWC7601A@1. On May 6, 2013, 161 ac-ft/yr, 425 gpm was permanently transferred to instream flows from Okanogan River Mile 24 downstream to Columbia River Mile 452 to be used as mitigation for the applicant's proposed municipal water use in Section 9, T. 21 N., R. 22 E.W.M.

Physical Availability

On November 4, 2011 Ecology issued a Preliminary Permit to allow GBI to drill a test production well. The permit requires GBI to conduct a hydrogeologic analysis to assess the relationship between the proposed groundwater source and the Columbia River.

On March 27, 2013 licensed Ecology staff Hydrogeologist, Ron Dixon, produced and stamped a separate technical memorandum which discusses the hydrogeologic analysis for this application. The hydrogeologic interpretations provided below are extracted from this memorandum.

"The hydrogeology at the subject well indicates that the water-bearing zones in the well are at or above the bottom of the Columbia River and as a result likely intercept the river or unconsolidated saturated sediments adjacent to the river... As a result, groundwater withdrawals from the basalt aquifers encountered in the subject well would meet the Program's allocation requirements"¹.

Impairment Considerations

Change Application CG4-CWC760-A@1 provides mitigation to make water use under Application No. G4-35323 water budget neutral. Additionally, Ecology's hydrogeologic technical memorandum states that analytical modeling using the Theis equation indicates that any drawdown which may occur as a result of the permitting action is not expected to impair nearby well owners. The closest point of withdrawal from the proposed point of withdrawal to a neighboring well is approximately 4000 feet.

¹ To meet the Program allocation requirements groundwater diverters must be capable of directly capturing mainstem Columbia River water at their well(s) or must demonstrate that their withdrawals would be fully attenuated within a single mitigation cycle when pumping ceases.

Water Rights in the Vicinity

There are no water rights appurtenant to the POU. As shown in Table 3, there are two new water right applications owned by GBI that propose to withdraw water from the same well as discussed in this investigation.

Table 3: Other Water Applications and Rights

File Number	Applicant	Document	Type	Priority Date	Purpose	Qi/gpm	Qa (Ac-ft/yr)
G4-32225	GBI Holding Co.	New application	Ground water	10/31/1994	Mining		
G4-31813	GBI Holding Co.	New application	Ground water	7/30/1993	Municipal— 25 homes	2000	Not entered

Beneficial Use

The use of water for domestic purposes is defined in statute as a beneficial use in RCW 90.54.020(1). Beneficial use encompasses two principal elements of a water right:

1. Beneficial use refers to the purpose for which water may be used.
2. Beneficial use determines the measure of a water right. The owner of a water right is entitled to the amount of water necessary for the purpose to which it has been used.

To determine the amount of water necessary for a beneficial use, the courts have developed the principle of "reasonable use." Reasonable use of water is determined by analysis of the factors of water duty and waste. Application No. G4-35323 proposes a maximum withdrawal rate of 425 gpm and an annual quantity of 161 acre-feet to serve 200 homes and irrigation of lawns, gardens and community space. The Washington State Department of Health's Water System Design Manual (December 2009) cites 200 gallons per day (gpd) as a minimum rate for residential indoor use and 600 gpd to irrigate 1000 ft² of lawn. Based on these guidelines, the indoor and outdoor water needs for 200 homes would require approximately 179 ac-ft/yr. The request for 161 ac-ft/yr is a reasonable request for supplying upwards of 200 homes. GBI has requested additional water under Application No. G4-31813.

Public Interest Considerations

Analysis of whether this application meets the requirements of RCW 90.03.290, that the proposed use of water will not be detrimental to the public welfare, involves investigation of how the approval of the proposed use of water will affect the range of values that are encompassed by the public interest.

The proposed project will be a water budget neutral project with mitigation water provided by Change Application CG4-CWC760-A@1.

On February 22, 2012, a notification letter was sent to potentially affected local governments, appropriate state agencies, federally recognized tribal governments and other interested parties.

Consideration of Protests and Comments

No protest or comments were received concerning the use of at GBI's project site.

Conclusions

Beneficial Use: The proposed use of water for domestic purposes is considered to be a beneficial use.

Water Availability: The analysis provided above demonstrates that water is physically and legally available for the proposed use of water.

Impairment: The proposed beneficial use of water is not expected to impair any existing water rights.

Public Interest: The proposed use of water would not be detrimental to the public welfare.

RECOMMENDATIONS

Based on the above investigation and conclusions, I recommend that this request for a water right be approved and a permit be issued in the amounts and within the limitations listed below and subject to the provisions on page 1-3. The amount of water recommended is a maximum limit and the water user may only use that amount of water within the specified limit that is reasonable and beneficial:

Maximum Quantities

425 gpm, 161ac-ft/year for the purposes of continuous municipal use for up to 200 homes and irrigation of lawns, gardens and, community space.

Point of Withdrawal

SW $\frac{1}{4}$, NE $\frac{1}{4}$, Section 9, Township 21 North, Range 22E.W.M.

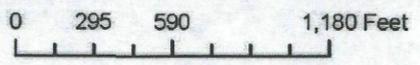
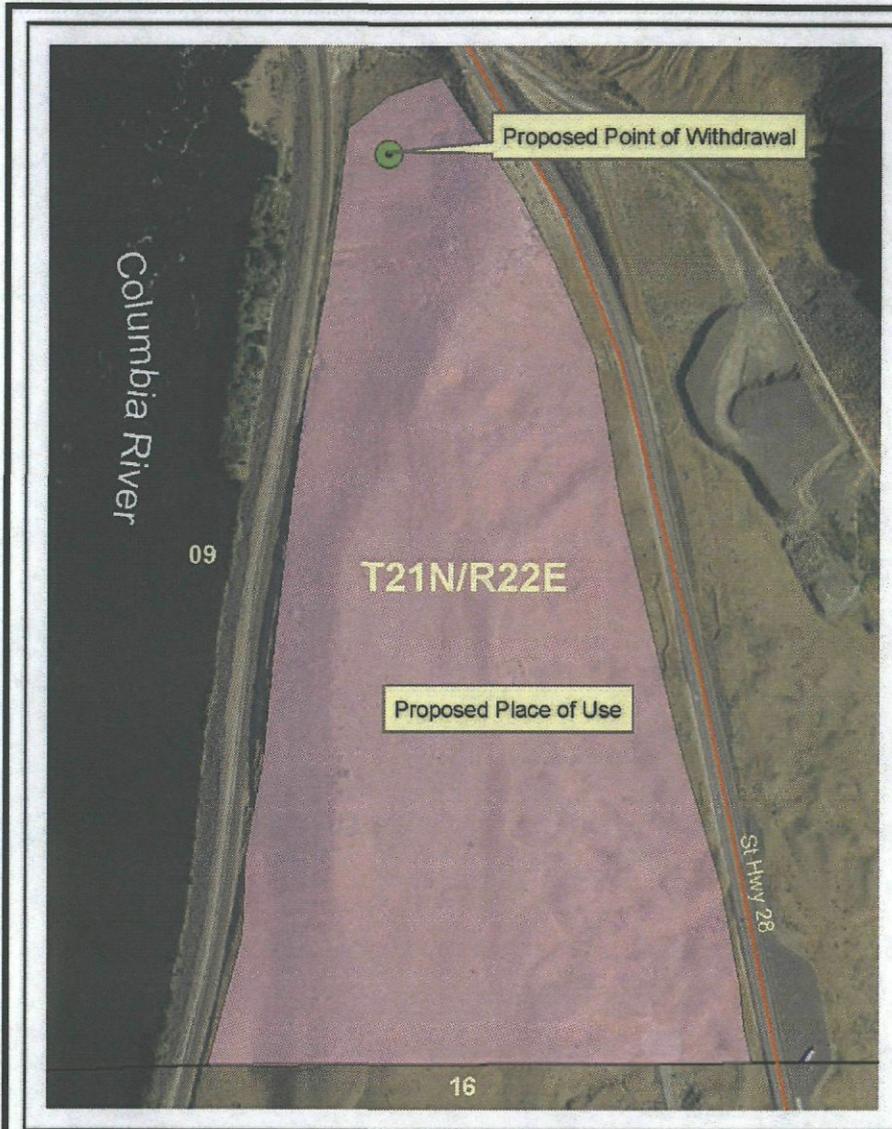
Place of Use

That portion of the E $\frac{1}{2}$ of Section 9 lying between the Columbia River and Highway 28, T. 21N., R. 22 E.W.M., Douglas County, Washington.

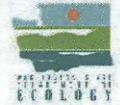
Report Writer

Date

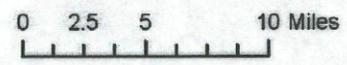
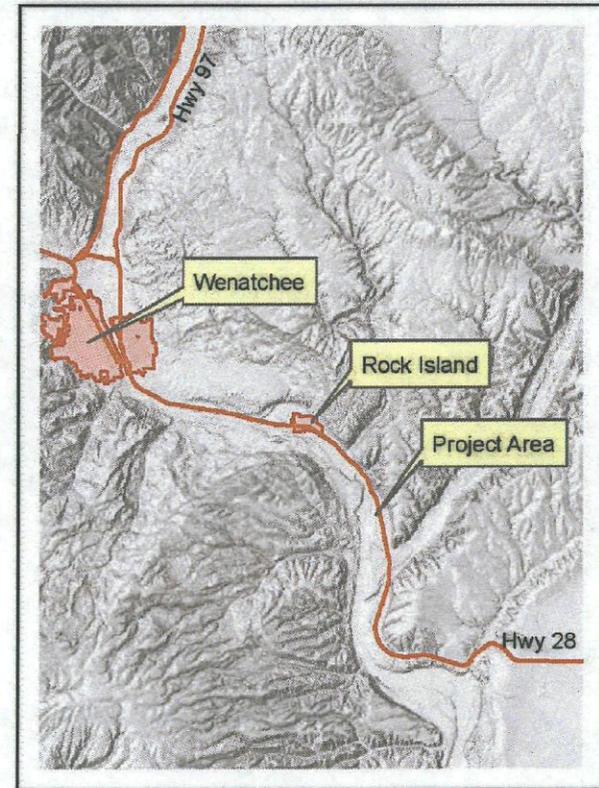
If you need this publication in an alternate format, please call Water Resources Program at (360) 407-6600. Persons with hearing loss can call 711 for Washington Relay Service. Persons with a speech disability can call 877-833-6341.



**GBI Holding Company
Application
CG4-GWC7601-A@1**



Section 9, T.21N., R. 22 E.W.M.
WRIA 44: Moses Coulee



Map is for reference only. Place of use and point of withdrawal are as defined in the Report of Examination.
Image is 2011 NAIP airphoto. Map Date 4/30/2013.